

97-250-W

RECEIVED  
JUN 11 1997

BEFORE THE  
PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA

DOCKET NO. 97-250-W

S. C. PUBLIC SERVICE COMMISSION

RECEIVED  
JUN 11 1997

ACCEPTED  
Legal 343 6-18-97

In RE: )  
Application of Piedmont Water )  
Company, Inc. for Approval to Operate )  
a Water System and for Approval of )  
Schedules of Rates and Charges for Residential )  
Customers in Gauley Falls Subdivision, )  
Pickens, South Carolina )

APPLICATION

S. C. PUBLIC SERVICE COMMISSION  
RECEIVED  
JUN 11 1997  
UTILITIES DEPARTMENT

Piedmont Water Company, Inc. ("Piedmont") would respectfully show unto this

Honorable Commission:

1. Piedmont is a corporation organized and existing under the laws of the State of South Carolina and will be a public utility within the meaning of the South Carolina statutes. Piedmont owns and maintains a water system for persons in Gauley Falls Subdivision, Pickens, South Carolina (a copy of Piedmont's Articles of Incorporation is attached hereto and incorporated herein by reference to Exhibit "1").

2. This Application, in part, is for a certificate of public convenience and necessity, establishing rates and authorizing the applicant to provide water service in Gauley Falls Subdivision, Pickens, South Carolina. It is the intent and desire of the Applicant to serve the area (depicted in the plat attached to this Application as Exhibit "2"). In addition, Applicant requests a ruling establishing Applicant as solely responsible for running the Gauley Falls system.

3. A water system was designed and constructed to provide such service to applicant's present and potential customers located in the service area. A copy of engineering plans and specifications of this system designed in accordance with good engineering practices by a professional engineer registered in South Carolina is attached hereto as Exhibit "3").

4. The Applicant constructed the water system pursuant to a Construction Permit issued by the South Carolina Department of Health and Environmental Control on October 6, 1986 (copy of which is attached hereto as Exhibit "4")

5. That in order to provide reasonable and adequate service to its customers, applicant respectfully submits, pursuant to S.C. Code § 58-5-240 (1976), the attached schedules, designated as Exhibit "5" and incorporated herein by reference, as being appropriate for the service which applicant proposes to render. While the proposed rates will not provide an adequate operating margin with the current number of customers, these rates should provide Applicant with an adequate opportunity to operate profitably with future development of the Gauley Falls community.

6. Applicant has prepared financial studies of the proposed operations of the water system discussed herein, including projected plan investment by categories, proposed depreciation schedules and pro forma income and expense statements based on the effect of the proposed rates and the presently planned development of approximately 141 houses (Such exhibits are attached hereto and incorporated herein by reference as Exhibits "6", "7" and "8").

7. The main office of the Applicant, its address and telephone number for purposes of general management, customer relations, operations, repair and emergency service is as follows:

**Piedmont Water Company, Inc.**  
Mr. Thomas Sutton, President  
PO Box 1828  
Pawleys Island SC 29585  
Phone No.: 803/237-5657

8. In accordance with Rule 103-712B.10) of the Rules and Regulations of this Commission, a sufficient performance bond will be filed at a later date. (Original to be filed separately and incorporated by reference).

9. Applicant requests a waiver of the statement required by Rule 103-712B.11) and requests acceptance of the letter from the Department of Health and Environmental Control which is attached as Exhibit 9 as satisfying this requirement.

10. Applicant will submit a customer bill form prior to the hearing on this proceeding.

11. All correspondence and other communications relative to this Application should be addressed to:

John F. Beach, Esquire  
**Beach Law Firm, P.A.**  
PO Box 444  
Columbia SC 29202-0444  
Phone No.: 803/779-0066

12. In Docket No.94-51-W, Order no. 94-393, the Commission found the Applicant to be jointly responsible with Ray Haskett for running the Gauley Falls system. Applicant is now willing to assume the entire responsibility for running the system. To that end, Applicant requests a ruling from the Commission exonerating Ray Haskett from any future responsibility for running the system and finding Applicant solely responsible for the system.

WHEREFORE, having fully set forth its application, Applicant prays that this

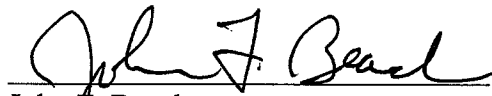
Honorable Commission inquire into the matters set forth herein and that it issue its Order:

- a. Granting a certificate of public convenience and necessity to the Applicant to serve the Gauley Falls Subdivision, Pickens County, South Carolina;
- b. Approving the attached rate schedules filed by Applicant herein;
- c. Finding the Applicant solely responsible for running the Gauley falls system, and exonerating Ray Haskett from any further responsibility; and
- d. For such other and further relief as the Commission deems just and proper.

Respectfully submitted,

**BEACH LAW FIRM, P.A.**

By:



John F. Beach  
John J. Pringle  
1400 Main Street, Suite 1207  
Post Office Box 444  
Columbia, SC 29202-0444  
(803) 779-0066

Counsel for Piedmont Water Company, Inc.

May 29, 1997

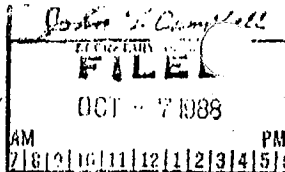
Columbia, South Carolina

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# **EXHIBIT 1**

STATE OF SOUTH CAROLINA  
SECRET OF STATE  
ARTICLES OF INCORPORATION

OF



PIEDMONT WATER COMPANY, INC.

For Use By  
The Secretary of State  
File No. ....  
Fee Paid \$ .....  
R. N. ....  
Date .....

(File This Form in  
Duplicate Originals)  
(Sect. 33-7-30 of 1978 Code)

This Space For Use By  
The Secretary of State

(INSTRUCTIONS ON PAGE 4)

1. The name of the proposed corporation is Piedmont Water Company, Inc.
2. The initial registered office of the corporation is 1025 Woodruff Road  
Street and Number  
located in the city of Greenville, county of Greenville and  
the State of South Carolina and the name of its initial registered agent at such address is  
Thomas A. Sutton
3. The period of duration of the corporation shall be perpetual (..... years).
4. The corporation is authorized to issue shares of stock as follows:

Class of shares	Authorized No. of each class	Par Value
..... Common .....	..... 100,000 .....	..... \$1.00 .....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

If shares are divided into two or more classes or if any class of shares is divided into series within a class, the relative rights, preferences, and limitations of the shares of each class, and of each series within a class, are as follows:

Date OCT - 7 1988  
CERTIFIED TO BE A TRUE AND CORRECT COPY  
AS TAKEN FROM THE RECORDS WITH THE  
ORIGINAL ON FILE IN THIS OFFICE.  
*John T. Campbell*  
SECRETARY OF STATE OF SOUTH CAROLINA

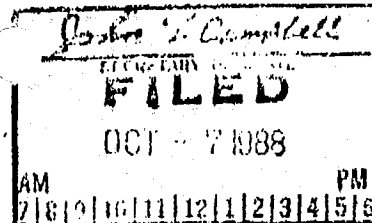
5. Total authorized capital stock 100,000  
Please see instructions on Page 4.
6. The existence of the corporation shall begin as of the filing date with the Secretary of State or to be effective .....
7. The number of directors constituting the initial board of Directors of the corporation is .....  
and the names and addresses of the persons who are to serve as directors until the first annual meeting of shareholders or until their successors be elected and qualify are:

<u>Thomas A. Sutton</u>	<u>1025 Woodruff Rd., Greenville, S. C.</u>
Name	Address
.....	.....
Name	Address
.....	.....
Name	Address
.....	.....
Name	Address
.....	.....
Name	Address
.....	.....
Name	Address
.....	.....

**STATE OF SOUTH CAROLINA  
SECRETARY OF STATE  
ARTICLES OF INCORPORATION**

**OF**

**PIEDMONT WATER COMPANY, INC.**



(File This Form in  
Duplicate Originals)

This Space For Use By  
The Secretary of State

(Sect. 33-7-30 of 1978 Code)

(INSTRUCTIONS ON PAGE 4)

<b>For Use By The Secretary of State</b>	
File No. ....	
Fee Paid \$ .....	
R. N. ....	
Date .....	
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.....	

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- The initial registered office of the corporation is 1025 Woodruff Road .....  
Street and Number  
 located in the city of Greenville ....., county of Greenville ..... and  
 the State of South Carolina and the name of its initial registered agent at such address is .....  
Thomas A. Sutton .....
- The period of duration of the corporation shall be perpetual (..... years).
- The corporation is authorized to issue shares of stock as follows:

<u>Class of shares</u>	<u>Authorized No. of each class</u>	<u>Par Value</u>
.....Common.....	.....100,000.....	.....\$1.00.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

If shares are divided into two or more classes or if any class of shares is divided into series within a class, the relative rights, preferences, and limitations of the shares of each class, and of each series within a class, are as follows:

Date OCT - 7 1988  
 CERTIFIED TO BE A TRUE AND CORRECT COPY  
 AS TAKEN FROM THE RECORDS WITH THE  
 ORIGINAL ON FILE IN THIS OFFICE.  
*John T. Campbell*  
 SECRETARY OF STATE OF SOUTH CAROLINA

- Total authorized capital stock 100,000 .....  
 Please see instructions on Page 4.
- The existence of the corporation shall begin as of the filing date with the Secretary of State or to be effective .....

## **EXHIBIT 2**



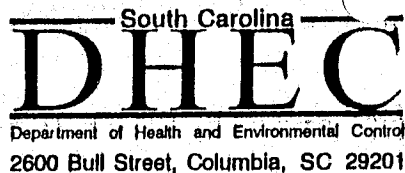


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U7550)  
O PIPE

# **EXHIBIT 3**

**(All But Original Application Exclude System Blueprints)**

# **EXHIBIT 4**



Commissioner: Michael D. Jarrett

Board: John B. Pate, MD, Chairman  
William E. Applegate, III, Vice Chairman  
John H. Burris, Secretary

Promoting Health, Protecting the Environment

Toney Graham, Jr., MD  
Richard E. Jabbour, DDS  
Henry S. Jordan, MD  
Curie B. Spivey, Jr.  
January 10, 1991

## FINAL PERMIT TO OPERATE

Issued to: Piedmont Water Company/Robbins Brothers  
Post Office Box 566  
Simpsonville, South Carolina 29681

for the operation of a potable water system permitted under Construction Permit No. 201840 dated September 6, 1989; as described below:

PROJECT NAME: Gauley Falls Subdivision - Section III, V and VI

COUNTY: Pickens

PROJECT DESCRIPTION: Installation of a 116 gpm pump (well #1), 52 gpm pump (well #2), well heading, piping, hypochlorination and caustic feed system, 1500 gallon hydropneumatic storage tank, 50 L.F. of 6" PVC water line, 2000 L.F. of 4" PVC water line, 3300 L.F. of 3" PVC water line, 2300 L.F. of 2" PVC water line, and appurtenances to serve 92 taps.

Water Provided By: New System

System Number: New System

This operation approval is based on the Engineer's letter of certification signed by Gerald E. Lonon, P.E., S. C. Registration No.: 10548, satisfactory bacteriological results and inspections performed by personnel of this Department.

ISSUED BY:

Carla W. Bullard  
District Engineer  
Appalachia II District EQC

Date Issued: January 10, 1991

CWB/WEW/cmj

cc: Renee Baecker-Water Supply Division  
Gerald E. Lonon, P.E.-Pace Engineering  
J. Michael Parrott-Greenville Health Dept.  
Pickens County Public Service Commission

*SOUTH CAROLINA DEPARTMENT OF HEALTH AND  
ENVIRONMENTAL CONTROL  
BUREAU OF DRINKING WATER PROTECTION*

*ANNUAL OPERATING PERMIT  
FOR A PUBLIC WATER SYSTEM*

*ISSUED TO:*

GAULEY FALLS W/S (3950004)  
1025 WOODRUFF RD.  
GREENVILLE, SC 29607

DATE ISSUED: MARCH 1, 1990

*FOR THE PERIOD OF  
JULY 1, 1989 THROUGH JUNE 30, 1990*

*Robert E. Malpass*

ROBERT E. MALPASS, P.E., CHIEF  
BUREAU OF DRINKING WATER PROTECTION

# South Carolina Department of Health and Environmental Control

2600 Bull Street  
Columbia, S.C. 29201

Commissioner  
Robert S. Jackson, M.D.

Appalachia II District  
Environmental Quality Control  
605 N. Main Street  
Greenville, S.C. 29601  
(803) 242-9850



Board  
Moses H. Clarkson, Jr., Chairman  
Gerald A. Kaynard, Vice-Chairman  
Oren L. Brady, Jr., Secretary  
Barbara P. Nuessle  
James A. Spruill, Jr.  
William H. Hester, M.D.  
Euta M. Colvin, M.D.

July 31, 1986

## FINAL CONSTRUCTION APPROVAL

PROJECT: Gauley Falls

CONSTRUCTION PERMIT NO. 204433

COUNTY: Pickens

Approval is hereby granted to: Lake Murray Utilities, Inc.\*  
1813 Hampton Street  
Post Office Box 7561  
Columbia, South Carolina 29202

To place into operation the potable water source, treatment, or distribution system identified as follows: A six inch diameter well producing 33 gallons per minute, a 1,000 gallon tank with air compressor, 500 L.F. of 2 inch PVC pipe to serve 7 lots at Gauley Falls Golf Course, Section 2 in Pickens County.

This project was constructed under Permit No. 204433 dated February 16, 1983.

This approval is based on the engineer's letter of compliance signed by R. Jay Cooper, P.E., satisfactory inspections performed by personnel from this office, and satisfactory bacteriological sampling.

ISSUED BY:

George K. Milam  
George K. Milam, P.E.  
District Director

\*Note change of ownership from Harry R. Wilson/Ray Haskett.

GKM/cmj

cc: Richard Culler-Water Supply  
R. Jay Cooper, P.E.-Clemson Eng.  
Jerry Harper-Pickens County  
Health Department

bc: Buddy Cox, P.E.

# South Carolina Department of Health and Environmental Control

2600 Bull Street  
Columbia, S.C. 29201

Commissioner  
Michael D. Jarrett

Appalachia II District  
Environmental Quality Control  
605 N. Main Street  
Greenville, S.C. 29601  
(803) 242-9850



Board  
Moses H. Clarkson, Jr., Chairman  
Gerald A. Kaynard, Vice-Chairman  
Oren L. Brady, Jr., Secretary  
Barbara P. Nuesse  
James A. Spruill, Jr.  
William H. Hester, M.D.  
Euta M. Colvin, M.D.  
October 22, 1987

## FINAL CONSTRUCTION APPROVAL

WS PROJECT: Gauley Falls, Section IV

CONSTRUCTION PERMIT NO. 203697

COUNTY: Pickens

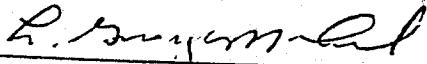
Approval is hereby granted to: Gauley Fall Development Corporation  
Haskett Realty  
Main Street  
Pickens, South Carolina 29671

To place into operation the potable water source, treatment, or distribution system identified as follows: A 35 GPM pump, well head piping, 7500 gallon hydropneumatic storage tank, 4600 L.F. of 3" PVC water line and appurtenances to serve not more than 49 taps in Gauley Falls Development, Section IV, Pickens County.

This project was constructed under Permit No. 203697 dated October 6, 1986.

This approval is based on the engineer's letter of compliance signed by John S. Cox, P.E., satisfactory inspections performed by personnel from this office, and satisfactory bacteriological sampling.

ISSUED BY:

  
L. George McLeod  
District Engineer

LGM/cmj

cc: Richard Culler-Water Supply Division  
John S. Cox, P.E.  
Mike Parrott-Greenville Health Dept.

# SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

Sims-Aycock Buildings  
2800 Bull Street, Columbia, SC 29211

## CONSTRUCTION PERMIT

Permission is Hereby Granted to:

Gauley Falls Development Corporation  
President Ray Haskett  
Haskett Realty  
Main Street  
Pickens, SC 29671

for the construction of a potable water source, treatment and/or distribution system in accordance with plans, specifications and design calculations dated September 27, 1985, by Romulus O. Gray, P.E., S. C. Registration No.: 7213.

**PROJECT DESCRIPTION:** Installation of a 35 gpm pump, well head piping, 7,500 gallon hydropneumatic storage tank, 4,600 L.F. of 3" PVC water line, and appurtenances to serve 49 taps in Gauley Falls Development, Section IV (site #2), Pickens County.

### SPECIAL CONDITIONS:

1. This permit is an addition to Permit #202316, dated August 26, 1985.
2. This permit supersedes Permit #202316AI, dated January 6, 1986, which is hereby voided.
3. Material and construction specifications shall be the same as those approved under Permit #202316AI, dated January 6, 1986.
4. A meter shall be placed on the well head piping between the check valve and blowoff.

Permit Number: 203697

Date: October 6, 1986

OCT 9 1986  
EQC GREENVILLE  
S. C. D. H. E. C.

**EXPIRATION DATE:** Unless construction is initiated prior to October 6, 1987, it will be necessary to reapply since this permit will no longer be valid.

This is a permit for construction only and does not constitute State Department of Health and Environmental Control approval, temporary or otherwise, to place this system in operation.

*Rodney J. ...*  
Commissioner

JAL/ies

cc: Mr. Romulus O. Gray, P.E.  
Mr. George K. Milam, Dist. Dir.  
Mr. James M. Berry, Dist. San. Dir.  
Pickens County Health Department

DHEC 1906 (4/81)

*M. K. Batavia, P.E.*  
Director, Water Supply Division

U. S. G. S.  
S. C. Water Resources Commission  
Mr. Glenn Sofge, Groundwater Protection Division



# SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

Sims-Aycock Buildings  
2800 Bull Street, Columbia, SC 29204

## CONSTRUCTION PERMIT

Permission is Hereby Granted to: Gauley Falls Development Corp.  
President Ray Haskett  
Haskett Realty  
Main Street  
Pickens, SC 29671

for the construction of a potable water source, treatment and/or distribution  
system in accordance with plans, specifications and design calculations dated  
January 2, 1986, by Romulus O. Gray, P.E.,  
S. C. Registration No.: 7213.

**PROJECT DESCRIPTION:** Installation of a 35 gpm pump, well head piping, two (2)  
5,000 gallon hydropneumatic storage tanks, 5,350 L.F. of 3" PVC water line, and  
appurtenances, to serve 49 taps in Gauley Falls Development, Section IV (site #2),  
Pickens County.

### SPECIAL CONDITIONS:

1. This permit is an addition to permit #202316, dated August 26, 1985.

Replaced by  
203697  
10-6-86

Permit Number: 202316A1

Date: January 6, 1986

**EXPIRATION DATE:** Unless construction is initiated prior to January 6, 1987,  
it will be necessary to reapply since this permit will no  
longer be valid.

This is a permit for construction only and does not constitute State Department  
of Health and Environmental Control approval, temporary or otherwise, to place  
this system in operation.

Robert J. Jones, Jr.  
Commissioner

JAL/ies

M. K. Batavia, P. E.  
Director, Water Supply Division

cc: Mr. Romulus O. Gray, P.E.  
Mr. George K. Milam, Dist. Dir.  
Mr. James M. Berry, Dist. San. Dir.  
Pickens County Health Department

U. S. G. S.  
S. C. Water Resources Commission  
Mr. Glenn Sofge, Ground Water Protection  
Division

# South Carolina Department of Health and Environmental Control

2600 Bull Street  
Columbia, S.C. 29201

Commissioner  
Michael D. Jarrett

Appalachia II District  
Environmental Quality Control  
605 N. Main Street  
Greenville, S.C. 29601  
(803) 242-9850



Board  
Moses H. Clarkson, Jr., Chairman  
Gerald A. Kaynard, Vice-Chairman  
Oren L. Brady, Jr., Secretary  
Barbara P. Nuessle  
James A. Spruill, Jr.  
William H. Hester, M.D.  
Euta M. Colvin, M.D.

October 22, 1987

## FINAL CONSTRUCTION APPROVAL

WS PROJECT: Gauley Falls, Section IV

CONSTRUCTION PERMIT NO. WP-87-11

COUNTY: Pickens

Approval is hereby granted to: Gauley Falls Real Estate Development Corporation  
Post Office Box 142  
Pickens, South Carolina 29671

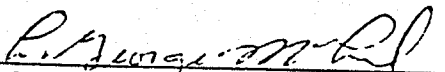
To place into operation the potable water source, treatment, or distribution system identified as follows: Approximately 730 L.F. of 3" PVC water line to connect the existing well in Section II to the existing distribution system in Section IV in Gauley Falls in Pickens County.

Special Condition: Well Number 2 permitted under Permit #203697 dated October 6, 1986 must be capped and protected from vandalism or properly abandoned in accordance with R.61-58.2 C.(14) of the State Primary Drinking Water Regulations.

This project was constructed under Permit No. WP-87-11 dated April 27, 1987.

This approval is based on the engineer's letter of compliance signed by Gerald E. Lonon, P.E., satisfactory inspections performed by personnel from this office, and satisfactory bacteriological sampling.

ISSUED BY:

  
L. George McLeod  
District Engineer

LGM/cmj

cc: Richard Culler-Water Supply Division  
Gerald E. Lonon, P.E.-Pace Eng.  
Mike Parrott-Greenville Health Dept.

3

Section 2

# SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

Sims-Aycock Building  
2800 Bull Street, Columbia, SC 29201

## CONSTRUCTION PERMIT

Permission is Hereby Granted to:

Mr. Harry R. Wilson  
P. O. Box 485  
Pickens, S. C. 29671

for the construction of a potable water source, treatment and/or distribution system in accordance with plans, specifications and design calculations dated January 25, 1983, by R. Jay Cooper, P.E.,  
S. C. Registration No.: 4682.

### PROJECT DESCRIPTION:

A 6" diameter 20 gpm well, wellhead piping, a 1000 gallon pneumatic tank, 500 L. F. of 2" PVC pipe and appurtenances to serve seven (7) lots at Gauley Falls Golf Course, Pickens County.

### SPECIAL CONDITIONS:

1. Copies of all driller's records, logs, yield and drawdown test results must be submitted prior to final inspection.
2. The chemical, physical, and bacteriological quality of the water must meet EPA primary and secondary standards or treatment may be required.
3. Material and construction specifications for the water line shall be the same as those approved under Permit #37911, dated May 12, 1981.

Permit Number: 204433

Date: February 16, 1983

EXPIRATION DATE: Unless construction is initiated prior to February 16, 1984, it will be necessary to reapply since this permit will no longer be valid.

This is a permit for construction only and does not constitute State Department of Health and Environmental Control approval, temporary or otherwise, to place this system in operation.

Robert J. Wilson  
Commissioner

James A. Jay, P.E.  
James M. K. Bateman, P.E.  
Director, Water Supply Division

MY:hpj

cc: Mr. R. Jay Cooper, P. E.

Mr. George Milam, Dist. Director

Mr. James M. Berry, Jr., Dist. San. Director

S. C. Water Resources Commission

U. S. G. S.

# **EXHIBIT 5**

EXHIBIT "5"

SCHEDULE OF RATES  
FOR  
PIEDMONT WATER COMPANY  
FOR  
WATER UTILITY SERVICE  
IN  
GAULEY FALLS SUBDIVISION,  
PICKENS, SOUTH CAROLINA

WATER RATES:

Residential:	\$ 32.00 per month flat rate
Residential with swimming pool and commercial:	\$ 10.00 per month basic charge plus commodity Charge of \$3.50 per 1,000 gallons
INITIAL CONNECTION:	\$800.00 per connection
RECONNECTING FEE:	\$ 30.00
BILLS DUE:	On billing date
BILLS PAST DUE:	20 days after billing date
BILLING FREQUENCY:	Monthly for service in arrears
RETURN CHECK CHARGE:	\$ 25.00
DEPOSITS:	\$ 30.00
FINANCE CHARGE FOR LATE PAYMENT:	1 1/2% per month on unpaid balances past due

# **EXHIBIT 6**

EXHIBIT "6"

*NUMBER OF CUSTOMERS AND  
CAPACITY OF SYSTEM*

FOR  
PIEDMONT WATER COMPANY  
FOR  
WATER UTILITY SERVICE  
IN  
GAULEY FALLS SUBDIVISION,  
PICKENS, SOUTH CAROLINA

Customers:

	<u>Residential</u>	<u>Commerical</u>
	17	-0-
Permitted System Capacity	141	

# **EXHIBIT 7**



EXHIBIT "7"

DEPRECIATION SCHEDULE  
FOR  
PIEDMONT WATER COMPANY  
FOR  
WATER UTILITY SERVICE  
IN  
GAULEY FALLS SUBDIVISION,  
PICKENS, SOUTH CAROLINA

Applicant proposes a 4% annual depreciation rate on all of its plant in service.

Purchase price: \$2000.00 x 4% - \$80.00 annually.

# **EXHIBIT 8**

EXHIBIT "8"

PRO FORMA INCOME AND EXPENSE STATEMENT  
FOR  
PIEDMONT WATER COMPANY  
FOR  
WATER UTILITY SERVICE  
IN  
GAULEY FALLS SUBDIVISION,  
PICKENS, SOUTH CAROLINA

1	OPERATING REVENUES....17 homes @ \$32 month		\$ 6,528 / <i>Am</i>
2	OPERATING EXPENSES		
3	Electricity.....	\$2,093.00	
4	Water Testing/Lab Fees/DHEC Fees.....	\$ 933.00	
5	Certified Operator/Administrative Services.....	\$1,200.00	
6	Accounting Services/Bookkeeping.....	\$ 600.00	
7	Legal Services (rate application costs ÷ 3 years).....	\$3,000.00	
8	Insurance.....	\$ 250.00	
9	Depreciation.....4%/25 years.....	\$ 80.00	
10	Upkeep/Repairs.....	\$ 720.00	
11	Taxes (State, Federal).....	\$ _____	
	Total	\$8,876.00	
12	OPERATING INCOME		\$ (2,348)
13	OPERATING MARGIN %		<del>(26)</del> % <i>(36) %</i>

## **EXHIBIT 9**

Commissioner: Douglas E. Bryant

Board: John H. Burriss, Chairman  
William M. Hull, Jr., MD, Vice Chairman  
Roger Leaks, Jr., Secretary

Richard E. Jabbour, DDS  
Cyndi C. Mosteller  
Brian K. Smith  
Rodney L. Grandy

*Promoting Health, Protecting the Environment*

Bureau of Water  
February 19, 1997

Mr. Ray Haskett, President  
Gauley Falls Development Corporation  
c/o Haskett Realty  
Post Office Box 142  
Pickens, South Carolina 29671

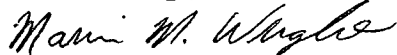
Re: EMERGENCY ORDER 96-58-DWP

Dear Mr. Haskett:

This letter is to advise you that all the requirements of Department of Health and Environmental Control (Department) EMERGENCY ORDER 96-58-DWP have been met. Both public water systems referenced in the Order appear to be operating satisfactorily at this time. The Department will take no further enforcement action at this time.

Thank you for your cooperation and assistance in this matter.

Sincerely,



Marvin M. Wright  
Enforcement Section  
Bureau of Water

cc: Ms. Angela Mettlen  
Mr. Mickey Corbett  
Ms. Elizabeth Potter

Commissioner: Douglas E. Bryant

Board: John H. Burriss, Chairman  
William M. Hull, Jr., MD, Vice Chairman  
Roger Leaks, Jr., Secretary

Richard E. Jabbour, DDS  
Cyndi C. Mosteller  
Brian K. Smith  
Rodney L. Grandy

*Promoting Health, Protecting the Environment*

Bureau of Water  
February 19, 1997

Mr. Thomas A. Sutton, Owner  
Piedmont Water Company  
Post Office Box 1828  
704 Springs Avenue  
Pawleys Island, South Carolina 29585

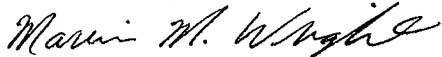
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